



WASHOE COUNTY

"Dedicated To Excellence in Public Service"

www.co.washoe.nv.us

STAFF REPORT

BOARD MEETING DATE: September 22, 2015

CM/ACM _____
Finance VVB
Legal DWV
Risk Mgt. DE
HR N/A
Other N/A

DATE: August 26, 2015
TO: Board of County Commissioners
FROM: Charles A. Moore, Fire Chief
Phone: 775-328-6123 Email: cmoore@tmfpd.us

THROUGH: John Slaughter, County Manager

SUBJECT: Public Hearing and possible action to determine whether consolidation of Truckee Meadows Fire Protection District with Sierra Fire Protection District is feasible and in the best interests of the County and Districts. (All Commission Districts)

SUMMARY

This public hearing was set up as recently enacted legislation, AB 333 allows a board of county commissioners of a county with a population of less than 700,000 to consolidate two or more fire protection districts organized pursuant to NRS 474.460 provided (a) each district is contiguous to at least one other district subject to the consolidation, and (b) the territory of each district is located entirely within the county, and (c) the rates of the taxes levied by the board of county commissioners pursuant to NRS 474.510 and 474.515, respectively, are equal in each district at the time of consolidation;

Strategic Objective supported by this item: *Achieving long term financial sustainability*

Strategic Objective supported by this item: *Safe, Secure and Healthy Communities*

PREVIOUS ACTION

October 25, 2011 Board of Fire Commissioners approved the operational and administrative consolidation of the SFPD and TMFPD with TMFPD as fire service provider and defined the level of service therein. Board directed staff to return with an Interlocal Agreement between the SFPD and TMFPD to effectuate the consolidation through contract.

March 27, 2012 Board of Fire Commissioners approved the Interlocal Agreement between the SFPD and TMFPD for Consolidated Fire Service.

On January 7, 2015 the Board of Fire Commissioners approved the potential legislation in concept to clarify and amend NRS 474 County Fire Protection District law to allow for a permanent consolidation of the Truckee Meadows Fire Protection District and the Sierra Fire Protection District.

On August 25, 2015 the Board of County Commissioners approved a resolution (attachment 1) proposing to consolidate Truckee Meadows Fire Protection District with Sierra Fire Protection District and requested staff to schedule a public hearing on September 22, 2015 to determine whether consolidation is feasible and in the best interests of the County and Districts.

BACKGROUND

Since 2010, the Board of Fire Commissioners has taken steps to consolidation the operations and administration of the TMFPD and SFPD. The consolidation has taken place through an Interlocal Agreement approved by the Board on March 27, 2012 with subsequent extensions. However, consolidation through Interlocal Agreement means both fire districts are still in existence as two separate local governments creating much duplication of effort and higher administration costs.

For example, because the TMFPD and SFPD are currently two separate local governments, they both have to follow state law regarding auditing, budgeting and reporting requirements. This leads to duplicate auditing for both the TMFPD and SFPD. The auditors audit the SFPD expenditures which for the most part is merely the transfer of funds from the SFPD to the TMFPD for operational costs and then audits the operational costs of the SFPD during the TMFPD audit. The cost of the SFPD audit is in the \$20,000 range which could be saved if there were only one audit of TMFPD and SFPD combined.

Regarding budgeting, currently the TMFPD and SFPD have to have separate local government budgets when for the most part the expenditure of the SFPD is merely the transfer of funds from the SFPD to the TMFPD and then the TMFPD budgets for the SFPD operational expenditures. This leads to duplicate budgeting and several thousands of dollars of staff time in preparing duplicate budgets.

In addition, reporting requirements for the TMFPD and SFPD are currently duplicated adding additional staff time costs.

There are duplicate Board agenda items which take up Board and staff time and cost, duplicate insurance costs such as liability insurance for two Boards which could be streamlined into one insurance policy for one Board, etc.

The operational and administrative consolidation of the TMFPD and SFPD has been extremely successful and has provided financial stability to both fire districts. A permanent consolidation would insure this successful consolidation remains in perpetuity.

FISCAL IMPACT

The fiscal impact is a savings to the Districts of several tens of thousands of taxpayers' dollars. In addition, the legislation ensured no property tax increases due to an annexation of the SFPD by the TMFPD.

RECOMMENDATION

It is recommended the Board hold a public hearing, and if determined that consolidation of Truckee Meadows Fire Protection District with Sierra Fire Protection District is feasible and in the best interests of the County and Districts, direct staff to take necessary steps to complete the consolidation no later than June 30, 2016.

POSSIBLE MOTION

Should the Board agree with staff's recommendation and determine after the public hearing on the matter of consolidation, that it is in the best interest of the County and Districts to consolidate Truckee Meadows Fire Protection District and Sierra Fire District possible motion could be:

"I move to direct staff to take necessary steps to complete the consolidation no later than June 30, 2016."